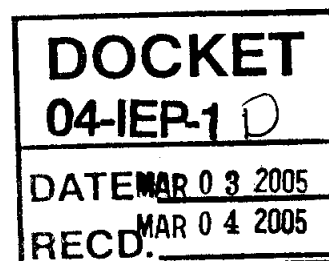


CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



March 3 , 2005

Ms. Laura Genao
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770

RE: APPLICATION FOR DESIGNATION OF CONFIDENTIALITY
Electricity Demand Forecast Data, Docket No. 04-IEP-1D

Ms. Genao:

On February 3, 2005, Southern California Edison (SCE) filed Electricity Demand Forecast forms 1.2, 1.3, 1.4, 1.5, and 1.6 with the California Energy Commission (Energy Commission) for use in the 2005 Integrated Energy Policy Report (IEPR) proceeding. As part of that filing, SCE also submitted an application seeking confidentiality for the information submitted.

SCE's application for confidentiality (application) states, in part:

SCE requires that the specific information be kept confidential for 15 years (in the case of Forms 1.2, 1.3, 1.4, and 1.6) and indefinitely (in the case of Form 1.5). SCE believes these documents must be withheld from public disclosure for the specified periods of time because their disclosure will likely cause prices to rise. . . . Because such forecast information is extremely commercially sensitive, it is shielded from disclosure by several statutory provisions. . . . The documents for which SCE seeks confidential protection here are trade secrets because they derive value from not being known to the public—public disclosure of this information could cause prices to rise.

The California Public Records Act allows for non-disclosure of trade secrets. (Gov. Code, § 6254(k), Evid. Code, § 1060.) The California Courts have traditionally used the following definition of trade secret:

a trade secret may consist of any formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it. . . . (*Uribe v. Howie* (1971) 19 Cal.App.3d 194, 207-208, 96 Cal.Rptr. 493, 500-501, from the Restatement of Torts, vol. 4, sec. 757, comment b, p. 5.)

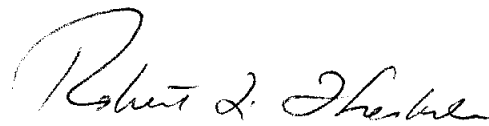
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SCE's application makes a reasonable argument under the Energy Commission's regulations for classifying some of the information you have submitted as confidential since it falls within the definition of trade secret. Information about the sensitivity of SCE's demand to temperature variations could provide bidders a competitive advantage. Accordingly, the information contained in form 1.5 and labeled "1-in-5 Temp.," "1-in-10 Temp.," and "1-in-20 Temp." is given confidentiality for three years from the date of this letter. Likewise, information about SCE's typical bundled hourly load shape could provide bidders a competitive advantage. While information on historic hourly loads for the entire SCE's service area is publicly available as FERC Form 714, that historic data is based on all the end-users in the SCE's service area that make it difficult to derive the forecast load shape for just SCE's bundled load. Therefore, the hourly load forecast contained in form 1.6 is also given confidentiality for three years from the date of this letter. All other information contained in form 1.5 is deemed public since the information does not meet the criteria of a trade secret.

Finally, with regards to forms 1.2, 1.3 and 1.4, the information contained in these forms is deemed public and will not be given confidentiality since the annual net peak numbers are insufficient to arrive at hourly net short forecasts, and/or the information does not meet the criteria of a trade secret.

The procedures and criteria for appealing this decision are set forth in the California Code of Regulations, title 20, section 2505. Be advised that an appeal of this decision, to deny your application, must be filed within fourteen days from my decision. If you have any further questions regarding this decision, please contact Fernando De Leon, Senior Staff Counsel, at (916) 654-4873.

Sincerely,



ROBERT L. THERKELSEN
Executive Director

cc: Docket Unit